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**REMARKS/ARGUMENTS**

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In response to the Office Action dated July 1, 2004, Applicants have amended the claims to more clearly define embodiments consistent with the present invention. Claims 1-20 are pending. Reconsideration and allowance of all pending claims are respectfully requested.

Claims 1-20 were provisionally rejected for obviousness-type double patenting in view of claims 1-20 of copending Application Serial No. 10/117,417. Applicants file herewith a Terminal Disclaimer to obviate the double patenting rejection.

Claims 1-20 were rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter. Applicants have amended claim 1 to recite a "computer-implemented method," falling within the process class of 35 U.S.C. § 101. Applicants have amended claim 11 to recite a "computer-implemented virtual business model," falling within the machine class (programmed computer) of 35 U.S.C. § 101.

Claims 11-20 were rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for claiming a virtual business "model." Applicants have amended claim 11 to clarify that the business model is computer-implemented, necessarily requiring software programming of a computer to implement the model.

Claims 1-20 were rejected under 35 U.S.C. § 102 or 103 as being anticipated by, or having been obvious over, the Van Hoek reference, cited as disclosing or suggesting all elements of claims 1 and 11. Claims 7-10 and 17-20 were rejected under 35 U.S.C. § 103 as having been obvious over the Van Hoek and Lewis references.

Applicants respectfully submit that the Van Hoek and Lewis references do not disclose or suggest all elements of claims 1 and 11. In particular, claims 1 and 11 having been amended to recite "the virtual flows having access to the virtual alliances at each stage of the manufacture and distribution of the product." As illustrated in at least Figures 3-7, along with the accompanying text, the virtual flows have access to each stage of the manufacturing and distribution of a product including at least the raw material alliance, manufacturer alliance, regional warehouse, and end customer.

The Van Hoek reference mentions integration of the flow of information. However, it appears to describe integration as occurring at multiple, selected points in the supply chain. (See Van Hoek reference, pp. 3 and 8.) In comparison, embodiments of

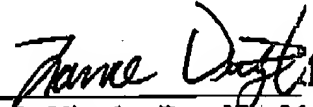
the present invention provide for integration of information at each stage throughout the manufacturing and distribution process, a distinct advantage over simply providing for integration at selected points in the chain. Accordingly, Applicants respectfully submit that claims 1 and 11 are patentable over the Van Hoek and Lewis references.

Applicants respectfully submit that dependent claims 2-10 and 12-20 are patentable at least because they include virtual flows integrated at each stage throughout a product manufacturing and distribution process, as explained above.

Based upon the above amendments and remarks, Applicants respectfully request reconsideration and allowance of all pending claims.

Respectfully submitted,

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